



MEDFORD URBAN RENEWAL BOARD SPECIAL MEETING MINUTES

February 17, 2022
Immediately Following City Council Meeting
Council Chambers, Medford City Hall
411 W 8th Street, Medford, Oregon

The special meeting of the Medford Urban Renewal Agency (MURA) Board was called to order at 7:28 p.m. in the Council Chambers of the Medford City Hall on the above date with the following members and staff present:

Board Members Tim D'Alessandro, Chad Miller, Sarah Spansail, Mayor Randy Sparacino, Eric Stark, Kevin Stine, Michael Zarosinski; City Manager Brian Sjothun, CFO/Deputy City Manager Ryan Martin, Deputy City Manager Kelly Madding, City Attorney Eric Mitton, MURA Executive Director Harry Weiss, MURA Administrative Support Technician David Hernandez; Board Members Clay Bearnson and Alex Poythress were absent.

20. Oral Requests and Communications from the Audience

None.

30. Consent Calendar

None.

40. Items Removed from Consent Calendar

None.

50. Public Hearings

None.

60. Resolutions

None.

70. Board Business

70.1 RESOLUTION 2022-001

A Resolution approving an amendment to the Disposition & Development Agreement – With Option between Medford Urban Renewal Agency and Genesis Opportunity Fund, LLC, dated August 26, 2021, increasing MURA's financial support for the proposed Genesis Apartments project to a total of \$1,200,000, and delegating to the MURA

Executive Director the authority to draft and execute the necessary amendment document.

MURA Executive Director Harry Weiss stated that MURA and Genesis XXI, LLC, are finalizing a project to develop a 62-unit apartment complex at the intersection of 8th Street and Holly Street, designed to serve people making 80% - 120% of the Area Median Income (AMI). This housing segment is challenging to produce, as it does not generate profit margin sufficient to attract investor interest, and it does not qualify for public subsidies available to low and moderate income housing development.

Since MURA and Genesis executed the original agreement in August 2021, there has been significant cost escalation in construction due to the unforeseen variables caused by the COVID-19 pandemic. This amended agreement adds \$450,000 of additional support from MURA to continue the development of this project.

Genesis has obtained bank financing in the amount of \$8.1 million that must close by the end of this month to secure the financing terms offered. There are ten days from today's date to complete the real estate and loan closing.

Mr. Weiss stated that Downtown housing is a primary objective and strategy of the City Center Revitalization Plan, and has been an area of focused effort over many years. The Genesis development will achieve a long-sought goal of market-rate housing that serves the middle income demographic that is critical to the local economy

Board Member Michael Zarosinski questioned the reasoning for the time constraints and rush on a decision on this amended agreement.

Mr. Weiss noted February 28, 2022 is the deadline to receive the financing package, which has been awarded to this project by Washington Federal Bank. The bank needs at least ten days to complete the full documentation for this loan package.

Mayor Randy Sparacino noted that Medford has a drastic need for housing due to the demand for market-rate housing and the destruction of homes from the Alameda wildfire and believes this is an opportunity to begin more projects to revitalize the downtown area.

Mr. Zarosinski stated he would like this project to come to fruition and fully supports the approval of this resolution.

Board Member Eric Stark thanked Genesis XXI, LLC, Mr. Harry Weiss, and fellow Board Members for their patience and diligent hard work to develop this much-needed

housing segment to Downtown Medford. He fully supports this project and resolution amendment.

Chair Tim D'Alessandro thanked Board Member Stark for his considerable contribution to the negotiation team that influenced the progression of this project.

Motion: Approve the resolution.

Moved by: Mayor Randy Sparacino

Seconded by: Eric Stark

Roll call: Board Members D'Alessandro, Miller, Spansail, Mayor Sparacino, Stark, Stine, Zarosinski voted yes.

Motion carried and so ordered. MURA Bill 2022-001 was approved.

80. Director and Staff Reports

Mr. Weiss expressed gratitude for the tremendous commitment of Laz Ayala and Genesis Opportunity Fund for investing in and undertaking this challenging project.

110. Adjournment

There being no further business, the Board meeting adjourned at 7:47 p.m.

The City Recorder maintains a recording of these proceedings with the agenda, minutes and documentation associated with this meeting.

David Hernandez
MURA Administrative Support Technician